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USDOCOSOUTH FOR INTAF

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E.O. 11652: GDS
TAGS: PINT, IT
SUBJ: EVALUATION OF THE NEW GOVERNMENT

SUMMARY: THE PARTICULAR FEATURE OF THE NEW ONE-PARTY
ANDREOTTI GOVERNMENT IS THAT FOR THE FIRST TIME SINCE 1947,
IT INCLUDES THE COMMUNIST PARTY (PCI) AS ONE OF THE FIVE
PARTIES THAT SUPPORT IT IN ITS PARLIAMENTARY OR GOVERNMENT

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MAJORITY. IN FORMALIZING ITS DETERMINING ROLE, THE PCI
HAS WON THE FORMAL RIGHT TO BE CONSULTED ON GOVERNMENT
POLICY, LEGISLATION AND NOMINATIONS (THE SPOILS), THEREBY
THAT OVER FOREIGN AND DEFENSE POLICY). EVEN MORE
IMPORTANTLY, WITH THE EXCEPTION OF POSSIBLE COSMETIC
MODIFICATIONS, THE LATEST PCI ADVANCE MUST BE CON-
SIDERED THE PENULTIMATE STIP TOWARD FULL PARTICIPATION

IN GOVERNMENT, A FACTOR OF GREAT PSYCHOLOGICAL VALUE IN TERMS OF THE PCI'S POLITICAL LEGITIMACY. ON THE OTHER SIDE OF THE LEDGER, THE DC DID AVOID A POLITICAL ALLIANCE WITH THE PCI AND ALSO MINIMIZED THE APPEARANCE OF THE PCI'S "FORWARD STEP" BY DENYING THE COMMUNISTS A SIGN OF "VISIBLE CHANGE" IN THE COMPOSITION OF THE NEW GOVERNMENT (REJECTION OF THE PCI PROPOSAL FOR TECHNICIAN MINISTERS). THE LATEST CRISIS HAS ALSO HARDENED ATTITUDES WITHIN THE DC AGAINST FURTHER CONCESSION TO THE PCI. HOWEVER, HAVING ACCEPTED THE PCI AS PART OF THE GOVERNMENT MAJORITY, THE DC WILL FIND IT MORE DIFFICULT TO ARGUE THAT IT CANNOT FORM A GOVERNMENT WITHOUT THE PCI, PARTICULARLY IN THE ABSENCE OF REALISTIC ALTERNATIVES. WHILE DC STRATEGY IS STILL FORMALLY PREDICATED ON THE HOPE THAT THE SOCIALISTS AND MINOR PARTIES CAN BE RECOVERED IN SOME FORM OF NON-COMMUNIST COALITION, SUCH PROSPECTS ARE STILL UNCERTAIN. THE CRISIS DEMONSTRATED THAT THE DC IS NOT PREPARED TO ACCEPT FULL PCI PARTICIPATION IN THE CABINET BEFORE GOING TO NEW ELECTIONS. GIVEN THE PRESENT TREND TOWARD A MORE POLARIZED ELECTORATE, HOWEVER, DC LEADERS ARE UNCERTAIN AS TO WHETHER ELECTIONS (DESPITE ANTICIPATED DC ELECTORAL GAINS) WILL RESOLVE THE POLITICAL STALEMATE. THE DC THEREFORE APPEARS TO BE TAKING AN INCREASINGLY FATALISTIC ATTITUDE TOWARD THE ULTIMATE NECESSITY

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OF SHARING FORMAL GOVERNMENT POWER AND RESPONSIBILITY WITH THE PCI AT SOME POINT IN THE FUTURE. ALTHOUGH THEY HOPE THAT SUCH A DECISION CAN BE POSTPONED AS LONG AS POSSIBLE, THEIR CURRENT FEAR IS THAT THEY MAY EARLIER BE FORCED INTO AN EMERGENCY GOVERNMENT WITH THE PCI UNDER THE PRESSURES OF TERRORISM, DISORDERS, OR ECONOMIC DISLOCATION.

END SUMMARY.

1. NOTE: THIS ASSESSMENT DOES NOT TAKE INTO ACCOUNT THE POTENTIALLY FAR-REACHING EFFECTS ON THE FUTURE POLITICAL COURSE OF ITALY OF THE TERRORIST KIDNAPPING OF ALDO MORO, THE LEADER OF THE CHRISTIAN DEMOCRATIC PARTY (DC). CARRIED OUT ON THE DAY IN WHICH THE NEW GOVERNMENT WAS SCHEDULED TO PRESENT ITSELF TO PARLIAMENT, THE VIOLENT ABDUCTION OF THE PRINCIPAL ARCHITECT OF THE NEW GOVERNMENT IS SEEN BY MANY AS A DIRECT POLITICAL CHALLENGE TO THE FUNCTIONING OF THE STATE. IN ADDITION, SHOULD MORO NOT SURVIVE, HIS DISAPPEARANCE FROM THE POLITICAL SCENE WOULD HAVE

UNSETTLING CONSEQUENCES IN VIEW OF HIS ROLE AS THE
DC'S STRATEGIST AND PRIMARY INTERLOCUTOR WITH THE PCI.
IT WOULD NOT BE POSSIBLE TO PREDUCT AT THIS TIME,
HOWEVER, HOW THE KIDNAPPING MIGHT INFLUENCE THE
FUTURE COURSE OF EVENTS.

2. INTRODUCTION: THE NEW DC GOVERNMENT IS THE ISSUE
OF ONE OF THE LONGEST GOVERNMENT CRISES IN POSTWAR
HISTORY (54 DAYS). AS A REFLECTION OF THE CON-
TINUED INABILITY OF THE TWO LARGE OPPOSING POLITICAL
FORCES (THE DC AND THE PCI) TO FORM A TRADITIONAL
PARLIAMENTARY MAJORITY, THE CRISIS WAS PRECIPITATED
BY THE DEMAND OF THE LEFT PARTIES FOR THE FULL PARTI-
CIPATION OF THE PCI IN THE GOVERNMENT IN ORDER TO
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MEET THE EMERGENCY ECONOMIC AND PUBLIC ORDER NEEDS
OF THE COUNTRY. IN RESPONSE TO THESE PRESSURES, THE
PARTIES ULTIMATELY AGREED ON A COMPROMISE FORMULA
IN WHICH THE PCI CONTINUES TO BE EXCLUDED AS A
MEMBER OF THE GOVERNMENT BUT IS ACCEPTED, "EXPLICITLY
AND CONTRACTUALLY," AS A FORMAL MEMBER OF THE PARLIA-
MENTARY OR GOVERNMENT MAJORITY.

3. WHAT DID THE PCI GAIN? MORE THAN ANYTHING, THE
PCI ACQUIRED A NEW AND HIGHLY SIGNIFICANT QUOTIENT
OF POLITICAL LEGITIMACY. FOR THE FIRST TIME IN
31 YEARS, THE COMMUNISTS HAVE BEEN ACCEPTED (ALBEIT
ON AN EMERGENCY BASIS) AS FULL PARTNERS IN WHAT THE

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DC PREFERS TO CALL A "PROGRAMMATIC-PARLIAMENTARY
MAJORITY." IT WOULD BE ERRONEOUS TO UNDERESTIMATE THE
POLITICAL VALUE (FOR THE PCI'S BASE, TO THE
ITALIAN PUBLIC, AND IN THE INTERNATIONAL COMMUNITY)
OF THIS "FURTHER STEP" TOWARD FULL PARTICIPATION
IN GOVERNMENT. IN A COUNTRY WHERE THE ELECTORATE
PARTICULARLY REWARDS SUCCESS AND PUNISHES SETBACKS,
THE COMMUNISTS SUCCEEDED IN MAINTAINING THE HIGHLY
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IMPORTANT MOMENTUM OF THEIR GRADUAL AND SEEMINGLY
INEXORABLE ADVANCE TOWARD POWER. FURTHERMORE, THE
AGREEMENT AT THE NATIONAL LEVEL EITHER HAS OR IS
ABOUT TO TRIGGER SIMILAR ADVANCES OF THE PCI IN THE
LEGISLATIVE MAJORITIES AT REGIONAL AND PRO-
VINCIAL LEVELS: SICILY, CALABRIA, PUGLIA, CAMPANGNA
AND LOMBARDY. EVEN IN THOSE DC POLITICAL CIRCLES
WHICH IN PAST WEEKS HAD TALKED TOUGHLY OF THE NEED
TO AVOID ANY FURTHER CONCESSION TO THE PCI EVEN AT
THE RISK OF NEW ELECTIONS, THE REACTION TO THE
LATEST ARRANGEMENT HAS BEEN ONE OF RESIGNATION AND
QUIET ACCEPTANCE. THERE IS A WIDESPREAD TENDENCY
TO MINIMIZE UNCERTAINTIES AND APPREHENSIONS ABOUT
THE PCI AND TO PUT THE BEST POSSIBLE FACE ON THE
POLITICAL IMPLICATIONS OF THE AGREEMENT.

4. IN FORMALIZING ITS DETERMINING ROLE, THE PCI
CANNOT ALSO BUT INCREASE ITS POLITICAL WEIGHT AND
INFLUENCE IN THE NEW ANDREOTTI GOVERNMENT. EVEN IF
NO SIGNIFICANT LEGISLATION (AND INDEED, EVEN MARGINAL

BILLS) WERE ENACTED BY ANDREOTTI'S PREVIOUS GOVERNMENT WITHOUT THE GENERAL CONCURRENCE OF THE PCI, THE PCI'S INFLUENCE ON THE NEW GOVERNMENT'S LEGISLATIVE PROGRAM WILL BE ENHANCED. AS A MEMBER OF THE PARLIAMENTARY MAJORITY, THE PCI MUST NOW BE FORMALLY CONSULTED. IT WILL PARTICIPATE IN PERIODIC SESSIONS WITH THE PRIME MINISTER TO REVIEW ALL DRAFT LEGISLATION BEFORE ITS INTRODUCTION IN PARLIAMENT. THERE IS A DANGER THAT IT MAY RECEIVE GREATER SHARE OF THE POLITICAL SPOILS (NOMINATIONS TO DIRECTORSHIPS IN THE LARGE PUBLIC SECTOR, BANKS AND CREDIT INSTITUTIONS, RADIO AND TELEVISION). THERE IS ALSO THE RISK THAT IT MAY EXERCISE A GREATER CONDITIONING INFLUENCE ON GOVERNMENT POLICY (INCLUDING FOREIGN SECRET

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POLICY) AND NOMINATIONS.

5. FINALLY, THE PCI ACHIEVED SOME SPECIFIC OBJECTIVES WHICH ARE OF IMPORTANCE TO THE PARTY'S FURTHER ADVANCEMENT. THE PCI ATTACHED GREAT SIGNIFICANCE TO THE AVOIDANCE OF CERTAIN REFERENDA, SO MUCH SO THAT THE NEW GOVERNMENT APPROVED DRAFT LEGISLATION DESIGNED TO OBTAIN THE NEED FOR A REFERENDUM ON PUBLIC ORDER (THE REALE LAW) AT ITS FIRST CABINET SESSION EVEN BEFORE IT SOUGHT A VOTE OF CONFIDENCE FROM PARLIAMENT. HAVING VOTED AGAINST THE REALE LAW IN 1975, THE PCI EVIDENTLY REASONED THAT IT COULD NOT AFFORD TO OPPOSE THE LAW IN A REFERENDUM IN VIEW OF THE OVERWHELMING PUBLIC SUPPORT FOR TOUGHER PUBLIC ORDER LEGISLATION. THE AGREEMENT TO AVOID A POTENTIAL POLITICAL DEFEAT IN THE REFERENDA WAS THEREFORE OF CONSIDERABLE IMPORTANCE TO THE PCI.

6. ON THE OTHER SIDE OF THE LEDGER, THE PCI'S FORMAL ENTRY IN THE GOVERNMENT MAJORITY IN PARTNERSHIP WITH THE DC MAKES THE PARTY EVER MORE SUSCEPTIBLE TO PRESSURES ARISING FROM THE BASIC CONTRADICTION BETWEEN THE PCI'S GOVERNMENT ROLE AND THE ASPIRATIONS OF THE PARTY'S BASE FOR A GREATER SHARE OF POWER. SUCH PRESSURES WERE MANIFESTED FREQUENTLY DURING THE LAST ANDREOTTI GOVERNMENT (EVIDENCED MOST GRAPHICALLY BY THE DECEMBER METALWORKERS DEMONSTRATION THAT FIGURED HEAVILY IN THE PCI'S DECISION TO PRECIPITATE THE CRISITLM THE PCI HAS SO FAR AMPLY DEMONSTRATED THAT IT HAS THE DISCIPLINE AND ORGANIZATION TO CONTROL AND TO CHANNEL SUCH CRITICISM. AND, IF THE GOING GETS TOUGH, IT CAN ASSUAGE DISCONTENT BY SEEKING ANOTHER SLICE OF POWER.

7. THE CLAIM IS ALSO OFTEN MADE THAT THE PCI'S MORE

FORMAL PARTICIPATION IN GOVERNMENT WILL FORCE IT

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TO ADOPT A RESPONSIBLE POSTURE TOWARD THE SOLUTION
OF PROBLEMS, PARTICULARLY THOSE REQUIREING TRADE UNION
SUPPORT. HERE THE EXPERIENCE OF THE LAST 20 MONTHS
INDICATES THAT THE PCI HAS DEFTLY AVOIDED SPECIFIC
PROGRAM COMMITMENTS ON THE TOUGH QUESTIONS REQUIRING
RESOLUTION (LOCAL FINANCE, LABOR MOBILITY, INDUSTRIAL

REORGANIZATION, ETC.). IN FACT, IT HAS DEMONSTRATED
THAT WHEN FACED BY THE CHOICE OF THE ADVANCEMENT
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OF ITS POLITICAL GOALS AND SUPPORT FOR COMMON PROGRAM
OBJECTIVES, IT SELECTS FOR FORMER. LAST JULY'S
PROGRAM ACCORD, TOUTED BY THE PCI AS THE MECHANISM
NEEDED TO RESOLVE ITALY'S EMERGENCY ECONOMIC AND
SOCIAL NEEDS WAS UNCEREMONIOUSLY ABANDONED WITHIN
FOUR MONTHS AS UNWORKABLE WITHOUT A FURTHER CHANGE
IN THE POLITICAL FORAMEWORK. SIMILARLY, ANDREOTTI'S
DRAFT PROGRAM WAS LABELED TOTALLY INSUFFICIENT BY
THE PCI AND CGIL UNTIL THE DC CONCEDED THE PCI
ENTRY INTO THE GOVERNMENT MAJORITY. FROM THAT
MOMENT ON, THE CRISIS WAS IN EFFECT ENDED WITH THE
PCI AND CGIL ACCEPTING THE ANDREOTTI DRAFT PROGRAM
WITHOUT FURTHER DISCUSSION. AND SINCE THE DC
LEADERSHIP HAS ALSO APPARENTLY AVOIDED PINNING
DOWN THE PCI ON SPECIFIC ISSUES (AS DEMANDED, FOR
EXAMPLE, BY THE GROUP OF 100), IN EFFECT THE PCI
HAS BEEN GETTING A FREE RIDE.

8. WHAT DID THE DC PRESERVE? FROM THE DC'S VIEWPOINT,
THE COMPROMISE AVOIDS A POLITICAL COALITION OR ALLIANCE
WITH THE PCI, THEREBY REMAINING TRUE TO THE DC'S
ELECTORAL PROMISE. THE DC ARGUES --WITH SOME CREDIBILITY--
THAT IT HAS ONLY MADE A TRUCE, NOT PEACE WITH THE PCI. GIVEN
BERLINGUER'S INSISTENCE ON "EXPLICIT AND CONTRACTUAL"
PCI PARTICIPATION IN THE GOVERNMENT MAJORITY AS AN
"UNRENOUNCEABLE OBJECTIVE," THE DC HELD DOWN
COMMUNIST GAINS TO A MINIMUM. THE ONLY ALTERNATIVE
WAS THAT OF NEW ELECTIONS, ACHOICE A MAJORITY IN
THE DC BELIEVE WOULD ONLY HAVE HASTENED THE HISTORIC
COMPROMISE. AS PART OF THE BARGAIN, THE DC MAY HAVE
RECEIVED INFORMAL ASSURANCES FROM THE PCI THT IT
WOULD SUPPORT A DC CANDIDATE FOR THE PRESIDENCY.
HOWEVER, WHATEVER MAY HAVE BEEN DISCUSSED ON THIS

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POINT MAY NEVER BE KNOWN. IF THE DC CONCEDED PCI
PARTICIPATION IN THE PARLIAMENTARY MAJORITY, IT HELD
FIRM IN REJECTING PCI DEMANDS FOR THE REPLACEMENT
OF DISLIKED DC MINISTERS BY "TECHNICIANS" SYMPATHETIC
TO THE LEFT. THE DC THUS MINIMIZED THE APPEARANCE
OF THE PCI'S "FORWARD STEP" BY DENYING THE
COMMUNISTS THIS SIGN OF "VISIBLE CHANGE." WHILE

THE DC THEREBY PRESERVED INTERNAL, FACTIONAL UNITY,
THE DC'S DECISION COULD BE ULTIMATELY COUNTERPRO-
DUCTIVE SINCE IT PROVIDES THE LEFT PARTIES A BUILT-
IN EXCUSE TO BLAME ANY INADEQUACIES OF THE NEW GOVERN-
MENT ON THE DC. IT IS LIKELY, HOWEVER, THAT THE LEFT
WOULD ARGUE THAT EVEN A DC-TECHNICIAN GOVERNMENT
WOULD HAVE BEEN INADEQUATE WHENEVER IT REGARDED THE
MOMENT OPPORTUNE TO DEMAND "ANOTHER STEP."

9. THE SOCIALISTS AND LAY PARTIES: THE CRISIS PRO-
VIDED FURTHER EVIDENCE THAT THE ABILITY OF THE
SOCIALISTS AND MINOR LAY PARTIES TO CONDITION THE
POLITICAL PROCESS IS ERODING RAPIDLY. THEY ARE INCREASINGLY NOCONSULT
ED OR INCLUDED IN MEETINGS ON A PRO FORMA BASIS, PROVIDING
LEGITIMATING, "DEMOCRATIC" COVER FOR DC AND PCI ACCOMMODATION.
THE DC AND PCI MAY UTILIZE POSITIONS TAKEN BY TH SMALL PARTIES
TO THEIR ADVANTAGE (SUCH AS THE PSDI'S "REFUSAL" TO ACCEPT
TECHNICIAN MINISTERS OR LA MALFA'S OPENING SALVO DEMANDING FULL
PCI PARTICIPATION IN GOVERNMENT), BUT THEY HAVE NOT ALLOWED
THE ATTITUDES OF THE MINOR PARTIES TO STAND IN THE WAY
OF WHAT IS ESSENTIALLY A TWO-PARTY ACCORD. THUS,
WHILE THE DC REGRETS THE LOSS OF POLITICAL COVER THAT
THE SMALL LIBERAL PARTY PROVIDED ON ITS RIGHT,
IT QUICKLY AND EXPEDIENTLY ABANDONED ITS DIRECTORATE
POSITION REQUIRING CONTINUED PLI SUPPORT FOR ANY NEW
AGREEMENT TO BE ACCEPTABLE. NONETHELESS, THE RESULTS OF THE
CRISIS WERE NOT ALL NEGATIVE FOR THE MINOR PARTIES. ALL OF THEM
(EVEN THE PLI

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NOTWITHSTANDING ITS DECISION TO GO INTO OPPOSITION)
SECCEDED IN ATTAINING THEIR PRIMARY OBJECTIVE--THE
AVOIDANCE OF NEW ELECTIONS WHICH WOULD HAVE
BEEN DISASTROUS FOR EACH. FOR THE CRAXI LEADERSHIP
OF THE PSI, THE AVOIDANCE OF ELECTIONS WAS OF EVEN
GREATER IMPORTANCE, SINCE THE RESOLUTION OF THE CRISIS
WILL PERMIT THE CONVENING OF AN EARLY PARTY CONGRESS
AT THE END OF MARCH WHICH IS VIEWED AS ESSENTIAL FOR
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CRAXI'S SAURVIVAL. THE DC, IN FACT, AT LEAST FORMALLY
ASCRIBES GREAT SIGNIFICANCE TO THE CONGRESS AND
CRAXI'S ABILITY TO BEAT BACK HIS CHALLENGERS AS
THE KEY TO AN EVENTUAL POLITICAL RECONCILIATION
BETWEEN THE DC, THE PSI AND THE LAY PARTIES.

10. HOW LONG WILL THE ARRANGEMENT LAST? THE NEW
GOVERNMENT IS SUPPORTED BY ONE OF THE LARGEST PAR-
LIAMENTARY MAJORITIES IN POSTWAR EXPZRIENCE. IT
RECEIVED THE FAVORABLE VOTES OF FULLY 545 OF THE
578 PRESENT IN THE CHAMBER OF DEPUTIES. HOWEVER,
THE GOVERNMENT'S LARGE MEASURE OF PARLIAMENTARY SUP-
PORT REFLECTS POLITICAL EXIGENCY RATHER THAN GENUINE CONSENSUS
OR ALLIANCE. IT IS THEREFORE IMPOSSIBLE TO PREDICT
WITH ANY DEGREE OF ASSURANCE HOW LONG TH FOURTH
ANDREOTTI GOVERNMENT MIGHT LAST. IT WAS CONCEIVED
AS A FORMULA THAT WOULD PROVIDE FOR A GOVERNMENT
AT LEAST THROUGH THE SIX-MONTH "WHITE PERIOD" PRECEDING
THE ELECTION OF A SUCCESSOR TO PRESIDENT LEAONE NEXT
DECEMBER (AND DURING WHICH PARLIAMENTARY ELECTIONS
CANNOT BE HELD). HOWEVER, SUCH IS THE ATMOSPHERE OF
UNCERTAINTY AND MISTRUST, THAT SOME POLITICIANS
BELIEVE THE PCI MIGHT WELL DEMAND "A FURTHER STEP"
BEFORE THE YEAR IS OUT. OTHERS, INCLUDING PROMINENT
DC AND PCI LEADERS, PRIVATELY STATE THAT THE GOVERN-
MENT'S DEMISE AND NEW ELECTIONS NEXT SPRING SHOULD

BE REGARDED AS BY NO MEANS INEVITABLE. IF THE
FORMULA WORKS, THEY ASSERT, WHY SHOULDN'T IT BE CONTINUED?

11. FUTURE DEVELOPMENTS WILL DEPEND IN LARGE PART ON HOW
THE TWO LARGE PARTIES COMPORT THEMSELVES OVER THE NEXT SIX MONTHS
TO A YEAR. THE SOLIDARITY OF THE NEW ARRANGEMENT WILL BE TESTED
NOT ONLY BY THE OUTCOME OF THE MORO KIDNAPPING BUT ALSO BY THE
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ADMINISTRATIVE ELECTIONS SCHEDULED THROUGHOUT ITALY ON MAY
14. THESE ELECTIONS, POSTPONED IN PART AT PCI DEMAND LAST
NOVEMBER, ARE TO INVOLVE ABOUT 10 PERCENT OF THE ELECTORATE
AND WILL PROBABLY BE INTERPRETED AS A REFERENDUM ON THE NEW
GOVERNMENT. THE DC'S PROSPECTS WILL DEPEND IN PART ON HOW
EFFECTIVELY THE NEW GOVERNMENT WILL DEAL WITH THE TERRORIST
CHALLENGE, THE MANAGEMENT OF THE ECONOMY, AND PRESSING SOCIAL
ISSUES SUCH AS HEALTH AND EDUCATION REFORMS.

12. THE OUTLOOK: IN SUM, THE NEW GOVERNMENT FORMULA
REPRESENTS A SIGNIFICANT ADVANCE FOR THE PCI, THOUGH CONSIDERABLY
LESS THAN THEY ASKED FOR. MOREOVER, THE LATEST PCI ADVANCE
WAS ACCOMPLISHED BY A SINGULAR LACK OF ALARMIST REACTION IN THE
COUNTRY. WITH THE EXCEPTION OF MINOR TOUCH-UPS (INTRODUCTION
OF TECHNICIAN MINISTERS, ETC.), HOWEVER, THE COMPROMISE
IS PROBABLY THE LAST THAT COULD BE NEGOTIATED BY-
TWEEN THE PARTIES AND ACHIEVED WITHOUT RECOURSE TO NEW
ELECTIONS. THE NEXT STEP, FULL PARTICIPATION IN A GOVERN-
MENT COALITION--THE HISTORIC COMPROMISE--WOULD ALMOST CERTAINLY
HAVE TO BE PRECEDED BY NEW ELECTIONS AND, FOR THE DC,
SANCTIONED BY A NATIONAL PARTY CONGRESS. IT REPRESENTS, BOTH
QUANTITATIVELY AND QUALITATIVELY, A MUCH MORE DIFFICULT AND
POLITICALLY MOMENTOUS STEP. WHEREAS A CONSENSUS COULD BE
ACHIEVED (ALBEIT NOT WITHOUT DIFFICULTY) ON THE NEED TO ACCEPT
THE PCI IN THE GOVERNMENT MAJORITY, RESISTANCE WITHIN THE DC
TO THE HISTORIC COMPROMISE WILL NOT EASILY BE OVERCOME.

13. THE POLITICAL PROCESS COULD BE DRAWN OUT, HOWEVER.

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WHILE THERE IS ALREADY TALK OF A SHOWDOWN ELECTION
NEXT SPRING, THIS IS BY NO MEANS CERTAIN. THOUGH THE
DC WOULD PROBABLY DO WEWV IN A POLLING, DC LEADERS
ARE BY NO MANS CLEAR THAT NEW ELECTIONS WOULD PRODUCE A
WORKABLE NON-COMMUNIST MAJORITY. IF, AS MANY EXPECT, ELECTIONS
DO NOT RESOLVE THE POLITICAL STALEMATE, THE DC WOULD
BE UNDER GREAT PRESSURE TO OVERCOME ITS OPPOSITION
TO PCI PARTICIPATION IN THE CABINET IN RODER TO FORM
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A WORKABLE AND STABLE GOVERNMENT. GIVEN THE LACK OF
REALISTIC ALTERNATIVES, THE DC APPEARS TO BE TAKING
AN INCREASINGLY FATALISTIC VIEW OF THE ULTIMATE
NECDMSITY OF SHARING FORMAL POWER WITH THE COMMUNISTS.
IF SO, ITS LEADERS MAY TRY TO SEEK MORE TIME TO PRE-
PARE THE ELECTORATE (AS WELL AS ITALY'S ALLIES AND
ECONOMIC PARTNERS) FOR SUCH A DRAMATIC STEP, SEEKING
TO MINIMIZE ITS DELETERIOUS EFFECTS.

14. MUCH, OF COURSE, CAN HAPPEN IN COMING MONTHS TO
INFLUENCE THE FUTURE TREND OF EVENTS IN UNPREDICTABLE
WAYS. WHILE THE TREND IS TOWARD EVER GREATER DC-PCI

ACCOMMODATION, APOLITICAL ALLIANCE BETWEEN THE TWO LARGE PARTIES IS BY NO MEANS INEVITABLE. THE SOCIALISTS AND LAY PARTIES, FOR EXAMPLE, COULD COME TO A DETERMINATION THAT THEIR INTERESTS COULD BEST BE SERVED IN A NEW PARTNERSHIP WITH THE DC. BUT THE CHANCES FOR SUCH A DEVELOPMENT, AT LEAST ON THE SHORT-TERM, ARE CERTAINLY LESS THAN 50-50. IF THE DC IS SUCCESSFUL, HOWEVER, IN FORESTALLING COMMUNIST PRES-SURES (AND HERE THE PCI'S CAPACITY TO CONTAIN STRONG INTERNAL PRESSURES FOR ADVANCEMENT MUST BE QUESTIONED) BY ARGUING THAT MORE TIME IS NEEDED TO AVOID DEEP DIVISIONS WITHIN THE COUNTRY, THE ADDITIOANL TIME COULD SERVE TO CONSOLIDATE THE PERCEPTIBLE CONSERVATIVE TREND IN THE COUNTRY. WHILE THE DC HOPES IT CAN BUY TIME, ITS CURRENT FEAR IS THAT IT MAY BE FORCED EARLIER BY THE PRESSURES OF TERRORISM, PUBLIC DISORDER, OR ECONOMIC DISLOCATION INTO AN EMERGENCY GOVERNMENT WITH THE PCI. GARDNER

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Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ROME05498
Document Source: CORE
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From: ROME
Handling Restrictions: n/a
Image Path:
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Litigation History:
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Office: ACTION EUR
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Reference: n/a
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Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 18 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3211685
Secure: OPEN
Status: NATIVE
Subject: EVALUATION OF THE NEW GOVERNMENT SUMMARY: THE PARTICULAR FEATURE OF THE NEW ONE-PARTY ANDREOTTI GOVERNMENT IS THAT FOR THE FIRST TIME SI
TAGS: PINT, PGOV, IT
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/eded37be-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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